

FLOOR SCHEDULE FOR FRIDAY, SEPTEMBER 9, 2016

HOUSE MEETS AT:	FIRST VOTE PREDICTED:	LAST VOTE PREDICTED:
9:00 a.m.: Legislative Business Five "One Minutes"	11:30 a.m. – 12:00 p.m.	12:00 – 12:30 p.m.

H.R. 5424 – Investment Advisers Modernization Act of 2016 (Rep. Hurt – Financial Services) (One hour of debate). This bill proposes to amend provisions included in the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act that provide financial regulators, particularly the Securities and Exchange Commission, the authority to regulate the advertising, transferring, and selling of funds and securities by "private funds" in their capacity as investment advisors to institutional investors, which include public and private pension funds, endowments, and foundations.

Prior to Dodd-Frank, private funds – which include lightly regulated private equity funds and hedge funds – were exempt from most reporting, marketing, and oversight requirements under the 1940 Investment Advisers Act, the Depression-era law enacted to curtail abuses and flaws in the financial markets that contributed to the 1929 stock market crash. Dodd-Frank sharply curtailed these exemptions and requires private funds to provide, on an annual basis, clearly written, standardized information in the form of a narrative brochure to institutional investors and the SEC about the securities they purchase and hold, fees and expenses they charge, and their investment strategies.

Dodd-Frank also requires private funds advising institutional investors to comply with various recordkeeping, reporting, and audit requirements designed to inform and protect institutional investors. Most notably, Dodd-Frank subjects private funds to independent annual audits and other financial exams to improve (1) the ability of institutional investors to effectively monitor the private funds in which they invest and (2) the ability of federal regulators to assess systemic risk at private funds. H.R. 5424 would exempt private funds from these audits and exams.

In the Statement of Administration Policy, the President's senior advisors stated that they would recommend he veto this bill.

The Rule makes in order 1 amendment, debatable for 10 minutes, equally divided between the offeror and an opponent. The amendment is:

Foster Amendment. Removes provisions from the underlying bill that would exempt private funds from the requirement to deliver, on an annual basis, a plain language narrative brochure to clients summarizing their overall condition and the requirement for annual audits.

Bill Text for H.R. 5424:

[PDF Version](#)

Background for H.R. 5424:

[House Report \(HTML Version\)](#)

[House Report \(PDF Version\)](#)

Suspension (1 bill)

1. **S. 2040** – Justice Against Sponsors of Terrorism Act (Sen. John Cornyn – Judiciary)



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The Daily Quote

"With [House] Speaker Paul D. Ryan [R-WI] noncommittal on how House Republicans should fund the government beyond September 30, GOP factions head into a Friday conference meeting armed with ideas that could further muddle the path toward consensus... The views vary broadly, even for the fractious GOP conference, providing leadership with the difficult task of parceling through the hodgepodge of ideas to find a strategy that a majority of Republicans will support. There's also the question of whether to add supplemental funding for anti-Zika efforts and Louisiana flooding relief aide. 'There's a lot of conflicting conundrums,' Rep. Trent Franks, R-Ariz, said... House Republicans are in a tough position since they seem unlikely to quickly coalesce around an idea, while Senate Republicans are already pushing forward with a plan to pass a CR that would extend funding through December 9."

- Roll Call, 9/9/2016